2013 Legislature TPS Report 59942v2

Agency: Commerce, Community and Economic Development

Grants to Municipalities (AS 37.05.315)

Grant Recipient: Kenai Peninsula Borough Federal Tax ID: 920030894

Project Title: Project Type: Other

Kenai Peninsula Borough - Seward Bear Creek Flood Mitigation

State Funding Requested: \$5,000,000 House District: Kenai Areawide (28-30)

One-Time Need

Brief Project Description:

Flood mitigation in Seward / Bear Creek

Funding Plan:

Total Project Cost: \$5,000,000
Funding Already Secured: (\$0)
FY2014 State Funding Request: (\$5,000,000)
Project Deficit: \$0

Funding Details:

None

Detailed Project Description and Justification:

Recent flooding in Seward generated costs estimated at \$2,000,000 for public infrastructure, \$351,000 in damage to private residences, and untallied costs to businesses and secondary homes. As glaciers continue to recede, deposition of gravel increases. Hundreds of thousands of cubic yards of gravel are deposited in the Seward Bear Creek Flood Service Area annually. Conditions are worsening and the possibility of catastrophic disaster increases every year.

This funding will establish a capital fund to fund flood mitigation projects in the Seward Bear Creek Flood Service Area. The Kenai Peninsula Borough will hold and administer the Flood Mitigation Fund monies, with funds disbursed to the Seward Bear Creek Flood Service Area on a priority project basis.

Identified priority projects include bank stabilization, channel shaping, property acquisition to reroute river and creek flow, construction and repair of water diversion structures, and the construction of additional culverts.

Projects will be prioritized based on community input and the ability of the Seward Bear Creek Service Area and the Kenai Peninsula Borough to contribute 25% matching funds from local, state, or federal granting sources.

The creation of a capital fund devoted to ongoing flood mitigation in the Seward area allows the accrual of interest, which will help offset the expenditure of funds. Additionally, a capital fund offers the flexibility of funding projects based on community priorities, the ability of projects to secure additional funding, and changing environmental conditions.

A .25 mill tax rate increase within the Seward Bear Creek Service Area would generate approximately \$115,000 in revenue

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which could be used annually as local matching funds. This offers the potential of such a fund supporting flood mitigation efforts for the next ten years.

Without a structured funding program focused on flood mitigation in this area, the Kenai Peninsula Borough and the communities of Seward and Bear Creek are caught in a cycle of expending funding sources solely on emergency response to severe flooding events. The creation of this capital fund will support the development of a carefully managed and coordinated response to ongoing flood mitigation, and ultimately serves as a more fiscally responsible approach to the ongoing flood threat to these communities.

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FY14 - FY224

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

N/A

Grant Recipient Contact Information:

Name: Dan Mahalak

Title: Water Resource Manager

Address: P.O. Box 1554

Seward, Alaska 99664

Phone Number: (907)224-9515

Email: dmahalak@borough.kenai.ak.us

Has this project been through a public review process at the local level and is it a community priority? X Yes No

Contact Name: Tom Wright Contact Number: 4656618 For use by Co-chair Staff Only:
2:02 PM 5/9/2013



Kenai Peninsula Borough

Year 2013 State Capital Improvement Projects

CAPITAL PROJECT: SEWARD BEAR CREEK FLOOD MITIGATION

Funding Recipient: Kenai Peninsula Borough

Project Name: Seward Bear Creek Flood Mitigation

Detailed Project Description and Justification:

Recent flooding in Seward generated costs estimated at \$2,000,000 for public infrastructure, \$351,000 in damage to private residences, and untallied costs to businesses and secondary homes. As glaciers continue to recede, deposition of gravel increases. Hundreds of thousands of cubic yards of gravel are deposited in the Seward Bear Creek Flood Service Area annually. Conditions are worsening and the possibility of catastrophic disaster increases every year.

This funding will establish a capital fund to fund flood mitigation projects in the Seward Bear Creek Flood Service Area. The Kenai Peninsula Borough will hold and administer the Flood Mitigation Fund monies, with funds disbursed to the Seward Bear Creek Flood Service Area on a priority project basis.

Identified priority projects include bank stabilization, channel shaping, property acquisition to reroute river and creek flow, construction and repair of water diversion structures, and the construction of additional culverts.

Projects will be prioritized based on community input and the ability of the Seward Bear Creek Service Area and the Kenai Peninsula Borough to contribute 25% matching funds from local, state, or federal granting sources.

The creation of a capital fund devoted to ongoing flood mitigation in the Seward area allows the accrual of interest, which will help offset the expenditure of funds. Additionally, a capital fund offers the flexibility of funding projects based on community priorities, the ability of projects to secure additional funding, and changing environmental conditions.

A .25 mill tax rate increase within the Seward Bear Creek Service Area would generate approximately \$115,000 in revenue which could be used annually as local matching funds. This offers the potential of such a fund supporting flood mitigation efforts for the next ten years.

Without a structured funding program focused on flood mitigation in this area, the Kenai Peninsula Borough and the communities of Seward and Bear Creek are caught in a cycle of expending funding sources solely on emergency response to severe flooding events. The creation of this capital fund will support the development of a carefully managed and coordinated response to ongoing flood mitigation, and ultimately serves as a more fiscally responsible approach to the ongoing flood threat to these communities.

Funding Requested: \$ 5,000,000 Election District: Senate: N

House: 28

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CONTACT INFORMATION

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Seward, Alaska 99664 E-mail: dmahalak@borough.kenai.ak.us

Seward Bear Creek Flood Mitigation Capital Fund – Potential Projects

Project Location	Description	Required Funding	Notes
Kwechak Creek	KPB Parcel 12535005	\$2,450,000	USACE Section 205 - Federal Interest Project cost at \$ 7,000,000, requires 35% local match (\$2,450,000) 3-year timeline
Tie Hacker Road	Reshape mid-channel water diversion structure with gravel.	\$855,000	Purchase Property - \$55,000 Harden WDS with rip rap - \$200,000 Harden eroded bank - \$600,000
Stoney Creek Road, Well-head Site	Rip rap hardening and stabilization of bank.	\$197,115	FSA board priority.
Myrtle Wood Circle	Harden banks and maintain channel geometry.	\$3,000,000	Dredging required immediately River at this location is higher than adjacent parcels.
Clear Creek/Salmon Creek	Establish distributary flows of Salmon Creek on SBCFSA purchased properties.	\$100,000	SBCFSA buying Stewart properties to the immed. East, will reroute major portion of river through these properties
Clear Creek	Bailing to reduce back water effect.	\$25,000	Extension of prior work.
Box Canyon	Harden water diversion structure, Section 205	\$2,017,543	Includes cost of consulting engineer.
Dimond Blvd.	Bring grade to elevation of transfer facility approach with culverts to allow reduction of surface water elevation.	\$1,900,000	Grade to RSA standards.
Nash Road	Additional culverts through Nash Road.	\$912,000	To be pursued after Steward parcels inclusion.
Lost Lake, Little Bear Lake, Nash Road, Clear Creek/Salmon Creek Confluence	Pumping stations located throughout SBCFSA	TBD	Costs undetermined